

EXHIBIT B

L465secC

1 UNITED STATES DISTRICT COURT
2 SOUTHERN DISTRICT OF NEW YORK

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3 SECURITIES and EXCHANGE
4 COMMISSION,

Plaintiff,

5 v.

20 Civ. 10832 (AT) (SN)
Remote Proceeding

7 RIPPLE LABS, INC., et al.,

8 Defendants.

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New York, N.Y.
April 6, 2021
2:00 p.m.

11 Before:

12 HON. SARAH NETBURN,

13 U.S. Magistrate Judge

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15 APPEARANCES

16 SECURITIES and EXCHANGE COMMISSION

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L465secC

1 clarity.

2 Okay. Thank you everybody for your arguments. I
3 appreciate them. As I have come to expect from this group of
4 lawyers, they were excellent and the papers that you submitted
5 as well were excellent. And I recognize that this is
6 high-stakes litigation and that people are quite invested in
7 the outcome of the issues including the individual defendants
8 who face serious individual liability.

9 I have reviewed the letters and have listened
10 carefully to the argument. I am going to grant, in large part,
11 the defendant's motion. I think that the discovery related to
12 Bitcoin and Ether is relevant. I think it is relevant to the
13 Court's eventual analysis with respect to the *Howey* factors,
14 but I also think it is relevant as to the objective review of
15 defendants' understanding in thinking about the aiding and
16 abetting charge or aiding and abetting count. I also think it
17 is relevant to the fair notice defense that Ripple is raising.
18 So, for all of those reasons, I think discovery into Bitcoin
19 and Ether is appropriate and I am going to authorize it. I am
20 going to authorize discovery both as to exclusively Bitcoin or
21 Ether communications as well as XRP communications between the
22 SEC and third-parties, and by that I am excluding all market
23 participants and the other government agencies. I am not
24 including SEC-to-SEC internal communications in that ruling.
25 And so, the SEC is obligated to review the discovery request.